

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF EQUITABLE) CASE NO. 92-326-HH
GAS COMPANY)

O R D E R

On April 12, 1993, in Case No. 92-326, the Commission approved rates for Equitable Gas Company, a division of Equitable Resources, Inc. ("Equitable"), and provided for their further adjustment on a quarterly basis in accordance with Equitable's gas cost adjustment ("GCA") clause.

On June 29, 2001, Equitable filed its GCA to be effective August 1, 2001.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Equitable's notice includes revised rates designed to pass on to its customers its expected decrease in wholesale gas costs. Equitable's expected gas cost ("EGC") is \$7.0199 per Mcf, which is a decrease of \$2.0722 per Mcf from its previous EGC of \$9.0921.

2. Equitable's notice sets out a current quarter actual adjustment ("AA") of (50.50) cents per Mcf to return over-recovered gas cost from February, March and April 2001. Equitable's total AA is \$1.1013 per Mcf, which is 96.66 cents per Mcf less than the previous total AA.

3. Equitable's notice sets out a current quarter balancing adjustment ("BA") of 2.29 cents per Mcf. Equitable's total BA is 3.69 cents per Mcf, which is 4.99 cents per Mcf less than the previous total BA.

4. Equitable's GCA is \$8.1581 per Mcf, \$2.9889 per Mcf less than its previous rate of \$11.1470.

5. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for final meter readings by Equitable on and after August 1, 2001.

IT IS THEREFORE ORDERED that:

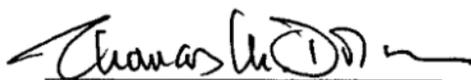
1. The rates in the Appendix to this Order, attached hereto and incorporated herein, are approved for final meter readings on and after August 1, 2001.

2. Within 20 days of the date of this Order, Equitable shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 25th day of July, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-326-HH DATED JULY 25, 2001

The following rates and charges are prescribed for the customers in the area served by Equitable Gas Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATES: Monthly

Customer Charge			\$4.45	
			Gas Cost Recovery	
		<u>Base Rate</u>	<u>Rate</u>	<u>Total Rate</u>
First	2 Mcf	\$1.0399	\$8.1581	\$9.1980
Next	18 Mcf	.8178	8.1581	8.9759
Next	30 Mcf	.7179	8.1581	8.8760
Next	50 Mcf	.6290	8.1581	8.7871
All Over	100 Mcf	.5513	8.1581	8.7094

The minimum bill shall be \$4.45

The above rates include recovery of a Kentucky West Virginia Gas Company surcharge of 61.4 cents per Dth pursuant to the settlement of Docket No. TQ 89-1-46, et. al. before the Federal Energy Regulatory Commission.

SUMMARY OF PURCHASED GAS ADJUSTMENT FILING
for Equitable Gas Company

Case No.: 92-326-HH
Filing Date: June 29, 2001
Proposed Effective Date: August 1, 2001
Approved Effective Date: August 1, 2001

Wholesale Gas Supplier: Kentucky West Virginia Gas Company

Wholesale Rate: Decreased \$2.0722 per Mcf
Retail Rate: Decreased \$2.9889 per Mcf

Components of GCR Rate

EGC	\$ 7.0199
RA	.0000
AA	1.1013
BA	<u>.0369</u>
GCR	\$ 8.1581

Prepared by: Dawn McGee

Date: July 19, 2001